

# Al Ott

State Representative • 3rd Assembly District

# Assembly Bill 294 Licensing of Electricians and Electrical Contractors Assembly Committee on Labor & Industry October 17, 2007

Thank you for the opportunity to testify on behalf of Assembly Bill 294 (AB 294), which would require electricians and electrical contractors to be licensed by the State of Wisconsin.

Unlike barbers, plumbers, accountants, real estate agents, dentists, and numerous other professionals, electricians need not be licensed by the state in order to provide their services in Wisconsin. While the general public would assume electricians are licensed, there is nothing in state law to require it. Thirty-four other states, including Minnesota and Michigan, currently have licensing requirements for electricians.

Current law provides for a voluntary certification program for electricians and electrical contractors. This program is administered by the Department of Commerce. In addition, some municipalities require electricians and/or electrical contractors to be licensed in order to work in that municipality, creating an inconsistent patchwork of regulatory standards around the state. It is more common to find these local licensing requirements in cities than in rural areas.

AB 294 requires all electricians and electrical contractors working in Wisconsin to be licensed by the Department of Commerce. The licensing structure in this proposal is similar to that currently in place for plumbers.

The primary goal of this legislative initiative is improved electrical safety, particularly in rural areas of the state. Furthermore, we aim to provide consumers with the assurance that those who are billing themselves as electricians and electrical contractors actually have the training, skills, and knowledge necessary to perform this type of work correctly and in accordance with code.

AB 294 creates a licensing mechanism for electrical contractors, journeymen electricians (residential and non-residential), and master electricians. It also creates a mechanism for registration and supervision of beginning electricians. Further, it establishes standards for the inspection of all electrical wiring and requires that electrical inspectors be certified by the Department of Commerce.

In order to be licensed as an electrician under the bill, a person must either complete an apprenticeship program or have a minimum amount of experience in installing, repairing, and maintaining electrical wiring, and pass an examination administered by the Department of Commerce. Passage of the exam is required in order to demonstrate a basic skill and competency level.

The Building and Safety Division of the Department of Commerce will oversee the examining and licensing program. Much like the licensing program for plumbers, costs of the program will be fee-based and should not require additional state funds.

The bill calls for a five-year delayed effective date on the full implementation of the licensing requirement. This is to both allow sufficient time for the rule making process, and to provide those who are currently electricians or electrical contractors with adequate time to become licensed.

Once fully implemented, this proposal will provide statewide uniformity in licensing by no longer allowing local units of government to impose their own registration, licensing or certification requirements on electricians, electrical contractors, or electrical inspectors. Wisconsin's electricians and electrical contractors would benefit from uniform licensing standards by being able to work in any area of the state without having to navigate a confusing patchwork of local licensing standards. In addition, the bill creates the conditions necessary for reciprocity with neighboring states, allowing electricians and electrical contractors to work across state lines (i.e. Minnesota).

AB 294 includes a number of specific exemptions from the licensing requirement. These exemptions are intended for those who do not work exclusively with electric wiring or who are already regulated, including: property owners doing electrical work in their own homes or buildings; work on systems that operate at 100 volts or less; elevator, escalator or security systems; and utility workers while performing utility work.

This bill also calls for the Department of Commerce to promulgate, by rule, a state electrical wiring code that establishes standards for installing, repairing, and maintaining electrical wiring. This code is to reflect nationally recognized standards. Locally enacted electrical wiring codes may not be less restrictive than the code created by the Department of Commerce. AB 294 does not preempt local electrical code ordinances.

Assembly Amendments 1 and 2, which I have introduced, makes technical changes to the bill in order to address concerns that were raised after the bill was introduced. Briefly, the amendments:

 Provide clarification for the utilities and electrical cooperatives as to who is (or is not) covered by the requirements of the bill as it relates to work conducted by utilities.

 Address concerns expressed by the alarm and audio/visual equipment industries by correcting a drafting error, and increasing the voltage exemption from 50 volts to 100 volts.

• Clarify language relative to local licensing authority and an exemption directed at manufactured equipment installation, repairs or maintenance (i.e. – dishwashers, water heaters, well pumps).

AB 294 is the result of significant collaboration by a number of interested stakeholders. Both the bill and the amendment reflect years of hard work, intense discussion, and ultimately, consensus, which brings us to this hearing today. This legislation has been drafted with the input and assistance of contractors, labor, utilities, electric cooperatives, the Department of Commerce, and others who are interested in improving the safety and quality of electrical wiring in Wisconsin.

As chair of the Assembly Committee on Agriculture, I view this initiative as a positive one for rural Wisconsin and our dairy industry as we continue to try to reduce the impact of stray voltage on our dairy herds. Stray voltage can have animal health implications and negatively impact milk production.

According to Mark Cook of the Public Service Commission, nearly \$1.4 billion has been spent by utilities to improve the distribution system and reduce stray voltage on our farms. This has resulted in a 79% reduction in stray voltage since 1988. He believes, and I agree, that now is the time to address the secondary side – the farmer/customer side – of the equation to make further improvements.

A 2005 Wisconsin Agricultural Statistics Service survey shows the wiring in over half of Wisconsin barns is 20 years old, or older. The majority of farm wiring repairs are made by local electricians or the farmers themselves. Proper wiring of agricultural facilities – which are tough environments for wiring due to dust, moisture, and other less than ideal conditions – is critical for keeping our dairy animals healthy and productive.

AB 294's licensing requirement, along with increased electrical inspection for commercial and agricultural projects, should improve the quality and safety of electrical wiring in rural areas of the state and further reduce the occurrence of stray voltage on our farms.

Thank you again for the opportunity to testify on AB 294.

# Electrical Licensing Bill AB 294/SB 167

#### Stakeholders w/ Active Involvement in Bill & Amendment Development

Associated Builders & Contractors (ABC)
International Brotherhood of Electrical Workers Construction Electricians Local
Unions (IBEW)

Wisconsin Federation of Cooperatives (WFC)
Wisconsin Department of Commerce
Plumbing, Heating & Cooling Contractors of Wisconsin
Mechanical Contractors Association of Wisconsin
Wisconsin Housing Alliance
WI Burglar & Fire Alarm Association
Alliant Energy
Associated General Contractors of Wisconsin
Xcel Energy
Wisconsin Builders Association
WE Energies
Wisconsin Public Service Corporation

## **Other Organizations Supportive of Electrical Licensing**

Rural Energy Management Council (REMC)
Wisconsin Farm Bureau Federation
Dairyland Power Cooperative
Municipal Electric Utilities of Wisconsin
Wisconsin Utilities Association
Metropolitan Milwaukee Association of Commerce (MMAC)
IBEW Local 2150

Custom Electronic Design & Installation Association
Wisconsin Department of Agriculture, Trade & Consumer Protection
Public Service Commission of Wisconsin
Professional Fire Fighters of Wisconsin
League of Wisconsin Municipalities



# Department of Agriculture, **Trade and Consumer Protection Public Service Commission** of Wisconsin



October 17, 2007

Representative Mark Honadel, Chair Assembly Labor and Industry Committee PO Box 7882 Madison, WI 53707-7882

Dear Representative Honadel:

Thank you for holding a public hearing on Assembly Bill 294.

Since 2000, The Department of Agriculture, Trade and Consumer Protection (DATCP) advisory Rural Energy Management Council (REMC) has been on record in support of securing quality electrical work in rural areas. One particular concern we have frequently heard is the difficulty rural residents have identifying the qualifications of Wisconsin electricians performing electrical work on their farming operations. Assembly Bill 294 would establish a reliable and uniform system to identify qualified electricians. The result will be safer buildings, fewer power quality and stray voltage problems and more cost effective farming operations.

We look forward to the passage of the bill and working with the Department of Commerce in developing the administrative rules to support improved electrical service to rural citizens and farmers.

On behalf of DATCP and the Public Service Commission, thank you for your leadership and efforts to give Assembly Bill 294 a public hearing.

Sincerely,

Rod Nilsestuen

Secretary, DATCP

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Wisconsin Department of Agriculture,

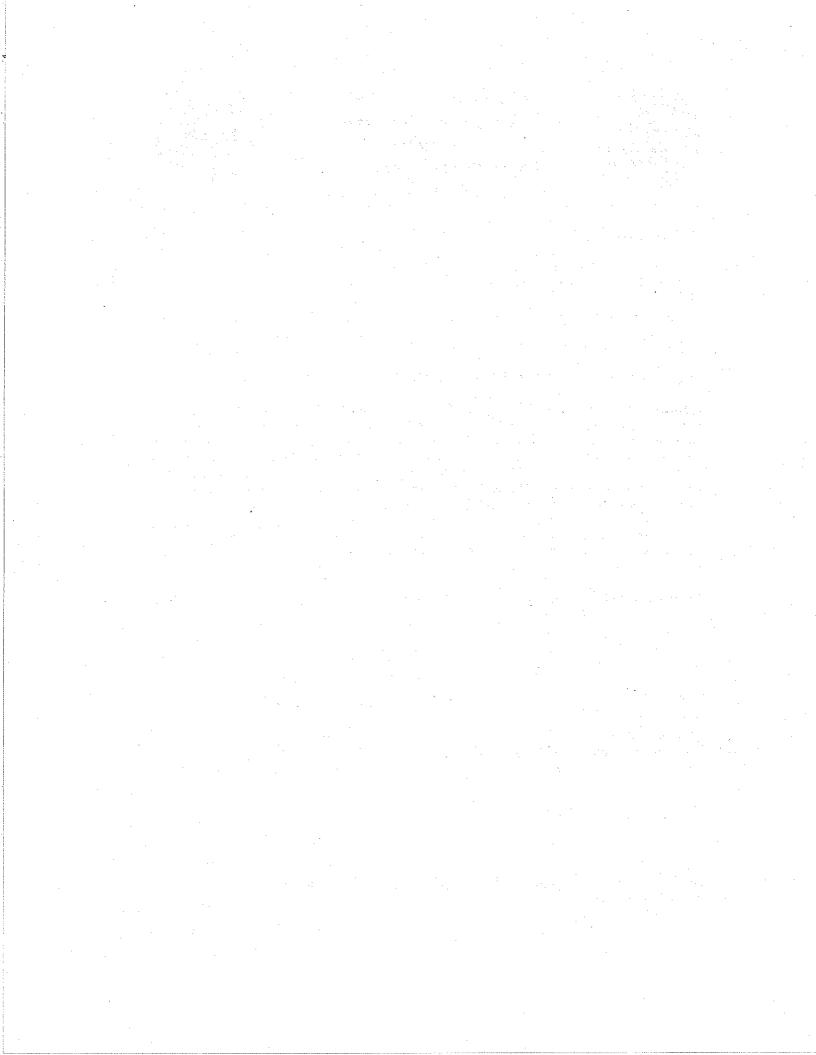
Trade and Consumer Protection

Dan Ebert

Chairperson

Public Service Commission of

Wisconsin





Alliant Energy Corporate Services 4902 North Biltmore Lane P.O. Box 77007 Madison, WI 53707-1007

Office: 1.800.862.6222 www.alliantenergy.com

TO:

Members of the Wisconsin Legislature

FROM:

Bill Jordahl, Alliant Energy - Wisconsin Power & Light

DATE:

October 17, 2007

**SUBJECT:** 

Assembly Bill 294, relating to the state electrical code and licensure of

electricians.

Chairman Ott and Members of the Committee:

Thank you for holding this hearing on Assembly Bill 294. I regret I am not able to attend but I want to indicate that Alliant Energy – Wisconsin Power & Light (WP&L) supports AB 294. We want to thank you, the Senate co-author, and the chairs of the Senate and Assembly Utility and Energy committees, for all your support in improving the bill.

AB 294 would create a statewide system for licensure of electricians. As you are aware, municipalities may license electricians, but there is no statewide uniform code electricians need to adhere to. In many areas of the state electrical work may be done by individuals with scant knowledge of the skills or the principles of electricity. This results in work that is easily degraded and which often leads to safety and performance standards at homes or businesses. As an electric utility WP&L has numerous service issues which arise due to present law.

Quality electrical work can be particularly important is in rural Wisconsin; but often this is where standards are absent. Understandably the view has been that the work can be done by the farmer him or her self, or friends or handymen. Unlicensed work has led to instances of poor wiring that can affect livestock and their behavior, or the farm equipment essential to the farmer's livelihood. Safety, of course, can also be threatened.

WP&L has a strong farm rewiring program, developed in part as a response to this problem. We inspect farms and provide assistance to farmers interested in remediation of stray voltage problems, and in energy efficiency and conservation.

When we assist with farm improvements we require the electricians we contract with to meet training and experience standards. Work must be done under the guidance of a

licensed electrician who has taken farm wiring code classes conducted by the Wisconsin Vocational System. They must participate in code update classes and all work must meet electrical inspections by a state inspector. These practices result in significant improvements in wiring, with greater safety and fewer stray voltage problems. We often trace problems back to faulty installation and use of electrical equipment and wires.

AB 294 makes clear that utility providers may continue to do the kinds of electrical work they do now when it is in the normal course of business. This simply ensures that minor work can be done without licensed electricians being involved. Significant work will be referred, as it always has been, to licensed electricians. Thank you for your attention.

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TO:

Assembly Committee on Labor

FROM:

David J. Benforado, Executive Director

DATE:

October 17, 2007

RE:

**MEUW Support of Assembly Bill 294** 

On behalf of the public power utilities and communities in Wisconsin, we respectfully ask that Assembly Bill 294 be given a favorable vote out of the Committee.

We believe the language in Assembly Bill 294 is thoughtful and prudent. Qualified electricians are paramount to consumer safety and confidence. Requiring a state monitored license will give consumers the added confidence of professional oversight in an industry far more perilous than many others currently requiring state licensing.

In all, we are confident that the passage of AB 294 will help provide greater safety and oversight in the profession and give consumers of electrical service work confidence that the work is being done by not only qualified, but licensed professionals.

We applaud and appreciate the authors' efforts to bring AB 294 to this point and urge its passage by the full Assembly. Thank you for your consideration. Feel free to contact me or MEUW's Associate Director, Scott Meske at (608) 837-2263.

cc:

Governor Doyle's Office Senator Russ Decker

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#### Testimony of Darren Reaman CEDIA Public Policy Manager Wisconsin State Assembly Committee on Labor and Industry October 17, 2007

On behalf of the Custom Electronic Design & Installation Association (CEDIA), thank you for allowing us to provide written testimony regarding Assembly Bill 294, legislation related to statewide electrical licensing.

The Custom Electronic Design & Installation Association (CEDIA) is a not-for-profit association of companies that specialize in designing and installing electronic systems for the home. These systems include home networking, home automation and communication systems, home theaters, media rooms, single or multi-room entertainment systems, and integrated whole-house subsystems.

CEDIA represents 60 companies and hundreds of professionals who work in the electronic systems industry in Wisconsin. Member classifications include electronic systems contractors, manufacturers, sales representatives, distributors, consultants and affiliates.

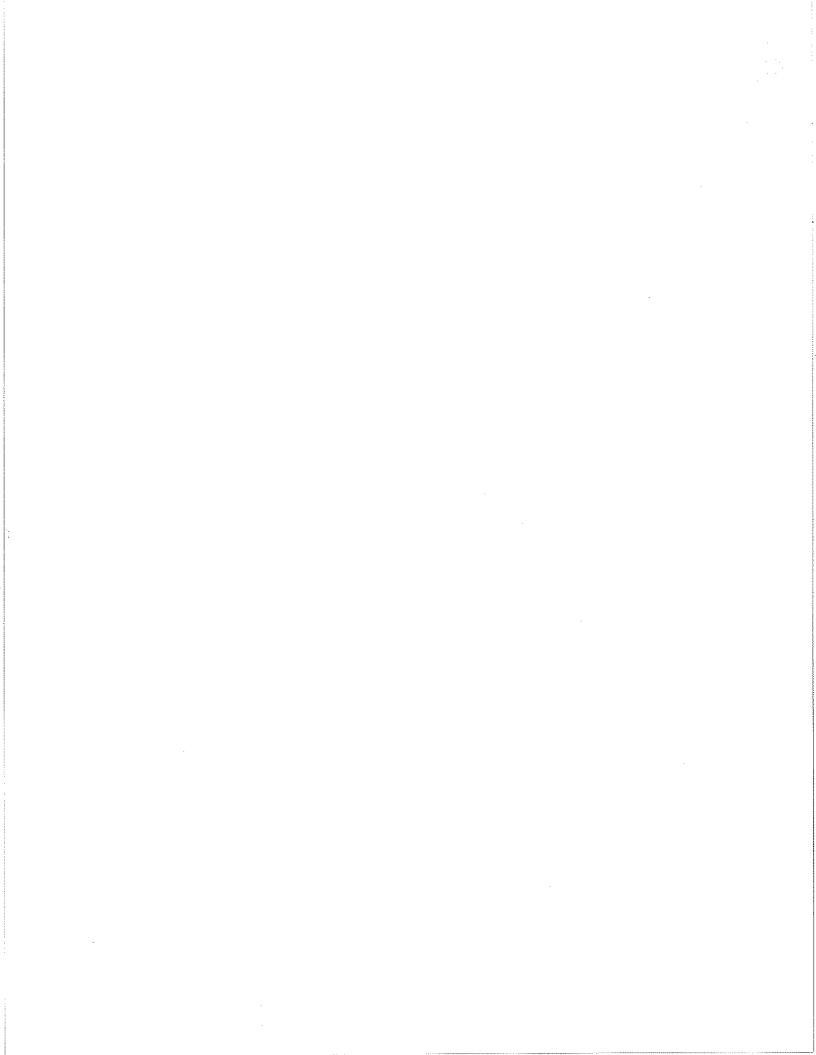
Wisconsin Assembly Bill 294 creates a statewide electrical licensing requirement, but also has a significant impact on the electronic systems industry. As introduced, Wisconsin Assembly Bill 294 exempts, "A person engaged in installing, repairing, or maintaining equipment or systems that operate at 50 volts or less." The exemption listed at only 50 volts does not properly exempt the work of an *Electronic Systems Technician* from the statewide electrical licensing legislation.

As introduced, Wisconsin Assembly Bill 294 with an exemption of only 50 volts would force Electronic Systems Contractors working in Wisconsin to have to hire electricians to continue doing the work which they have been trained in and doing for years. This additional requirement would have a significant impact on the cost of projects Electronic Systems Contractors complete for home and commercial projects including schools and hospitals. The added cost of hiring an electrician to be able to continue to work in this field would be passed on to consumers and tax payers at significantly higher costs.

The U.S. Department of Labor has recognized *Electronic Systems Technicians* as a separate and distinct profession as part of the 21<sup>st</sup> Century Workforce Initiative. The U.S. Department of Labor's description lists the work of *Electronic Systems Technicians* at less than 100 volts.

CEDIA appreciates Representative Alvin Ott's work on Assembly Bill 294 and offering Assembly amendment 1. CEDIA encourages members of the Committee on Labor and Industry to adopt Assembly amendment 1 for Assembly Bill 294. Assembly amendment 1 raises the voltage level to 100 volts and thus makes a proper distinction between the work of an *Electronic Systems Technician* and the work of an electrician. By raising the voltage level to 100 volts, Wisconsin Assembly Bill 294 recognizes the work of an *Electronic Systems Technician* as a completely separate trade from the work of an electrician. The amended exemption at 100 volts will allow Electronic Systems Contractors working in Wisconsin to continue to work in this field as they have prior to Wisconsin Assembly Bill 294.

Thank you for your time and consideration. CEDIA looks forward to working with the committee on Wisconsin Assembly Bill 294 and this important issue.





### Assembly Committee on Labor and Industry Testimony on Assembly Bill 294 (Electrical Licensing) October 17, 2007

#### Wisconsin Chapter

Mr. Chairman and members of the committee, my name is John Mielke and I am the Vice President of Associated Builders and Contractors of Wisconsin (ABC).

We are a statewide trade association of over 800 construction and construction related firms. More than 150 of those companies are electrical contractors.

I am here today to express our support for Assembly Bill 294 and for the Assembly Amendment.

Our support of this bill is the result of an evolution in our position, a collaborative process, and of compromise.

The issue of electrical licensing is not new in Wisconsin. There have been many failed attempts over several legislative sessions.

Historically, ABC of Wisconsin has <u>supported</u> contractor licensing and increased inspection of electrical construction while we <u>opposed</u> mandatory statewide credentialing of field level electricians.

In January of 2006 ABC of Wisconsin formed a Special Subcommittee on Electrical Licensing to advise the association. The subcommittee felt that, under the right circumstances, mandatory field level credentialing could be part of an over licensing scheme in the electrical industry.

In our opinion, this bill represents "the right circumstances" and we encourage you to enact into law.

The bill is not perfect from our perspective, but that is the nature of a compromise. However, the bill will vastly improve the nature of electrical construction in Wisconsin. Simply put, we did not want perfect to become the enemy of good.

This bill requires electrical contractors to be licensed and to have a competent professional responsible for their work. It requires increased inspection of electrical construction providing for consumer protection.

Assembly Bill 294 requires electricians to be trained and to provide evidence of that training. It makes accommodations for utility companies, manufactures, and others not directly engaged in the business of electrical construction, and it provides a clear path for those who wish to enter the trade either as electricians or electrical contractors.

The process was not easy and at times even contentious. But I want to thank the bills authors for keeping everyone at the table to ultimately produce the bill that is before you now.

I would like to thank my industry partners for their collaborative approach and I would like to especially thank the members of the ABC Subcommittee who helped the association resolve this difficult issue on behalf of our members.

I would be happy to answer any questions you may have.